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FDIC

Director John F. Carter

Dear Director Carter,

9/07/05

I'm writing today to oppose Wal-Mart's attempt to obtain FDIC insurance coverage for its Utah based ILC. Wal-Mart has a store in our town that has resulted in the closure of a hardware store, a sporting goods store, and a toy store, to name a few. If Wal-Mart were to open its own Banking operation, I fear it would result in less competition not more. They could put pressure on suppliers, employees and eventually customers to bank with them to receive favorable treatment.

I am the President of Freeport's oldest financial institution. I welcome fair competition. We face competition everyday from 4 other banks and 2 Credit Unions. However our competition all plays on a fairly level playing field. Our credit decisions do not help the retail arm of our business. We have no retail business. If our country depends on a strong financial industry, then what sense does it make to enable Wal-Mart or any other retail business to open banking operations? The potential for under-supervision and excessive bank failures seems enormous.

Please turn down Wal-Marts application for FDIC insurance.

Thomas A. Huber
President
Union Savings Bank